

December 17, 2009

Jennifer J Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20511

Re: Proposed Changes to Closed-End Mortgage Rules (Docket No. R-1366)

Dear Sir or Madam:

Thank you for allowing me the opportunity to comment on the proposed rule amending Regulation Z with respect to closed-end mortgages. I am a loan originator working in Destin, Florida. I have been in the mortgage business for a little over eight years so I have witnessed first-hand the subprime mortgage meltdown. I agree that additional consumer protections in the residential mortgage loan process are needed. However, I have some concerns with the proposals regarding loan originator compensation.

A high percentage of our customers are first time home buyers due to our market area being composed of military bases. These applications are processed either through VA or USDA loan channels. As a result of this, I spend a great deal of time on the applications to ensure that they get the extra attention they need and to make sure that the application process goes smoothly for my customers. This level of attention is often not available at large national lending institutions that take a more "one size fits all" approach and focus solely on volume and production.

In order to compensate me for the extra work that I put into these loans, we may need to charge the customer a higher rate. Due to these types of loans not requiring a down payment, these borrowers typically do not have additional funds to bring to closing so the borrower often would prefer paying a higher rate.

I could understand the Board's proposed restrictions on riskier loan products that were at the heart of the subprime meltdown. Because conventional prime loans do not create the same potential for abuse, the Board should exclude these loans from the restrictions on loan originator compensation and allow for pricing discretion in these loans.

Thank you for the opportunity to comment on the proposed rule.

Respectfully,



Thomas Renneker
Loan Originator